

LOCAL TELECOMMUNICATIONS SERVICES TARIFF

TITLE PAGE

ARIZONA LOCAL TELECOMMUNICATIONS TARIFF

This tariff contains the description, regulations, and rates applicable to the furnishing of Local Exchange Services provided by VarTec Telecom, Inc. with principle offices at 1600 Viceroy Drive, Dallas, Texas 75235. This tariff applies to Local Exchange Services furnished within the state of Arizona. This tariff is on file with the Arizona Corporation Commission, where copies may be inspected, during normal business hours.

Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007-2996

The name, address and telephone number for the person who is responsible for providing information with respect to the operating procedures of VarTec Telecom, Inc. are listed below.

APPROVED FOR FILING
DECISION #: 65203

ISSUED: September 27, 2002

EFFECTIVE: October 28, 2002

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF**CHECK SHEET**

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27	Original	57.2	Original	81	Second*
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30	Original				

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

TARIFF FORMAT

Page Numbering - Page numbers appear in the upper right hand corner of the page. Pages are numbered sequentially and from time to time new pages may be added to the tariff. When a new page is added between existing pages, a decimal is added to the preceding page number. For example, a new page added between Page Nos. 3 and 4 would be numbered 3.1.

Explanation of Symbols - When changes are made in any tariff page, a revised page will be issued canceling the tariff page affected. Changes will be identified on the revised page(s) through the use of the following symbols:

- C) - to signify changed listing, rule or condition which may affect rates or charges
- (D) - to signify discontinued material, including listing, rate, rule or condition
- (I) - to signify increase
- (L) - to signify material relocated from or to another part of tariff schedules with no change in text, rate, rule or condition
- (N) - to signify new material including listing, rate, rule or condition
- (R) - to signify reduction
- (S) - to signify reissued material
- (T) - to signify a change in wording of text, but not change in rate, rule or condition
- (Z) - to signify a correction

In addition to symbols for changes, each changed provision in the tariff shall contain a vertical line in the right hand margin of the page which clearly shows the exact number of lines being changed.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

APPLICATION OF TARIFF

This tariff applies to the furnishing of Local Exchange Services, as defined herein, by VTI. Local Exchange Services are furnished for the use of Customers in placing and/or receiving local telephone calls within the Local Service Area as defined herein. Services, features and functions will be provided where facilities, including but not limited to, billing capability, technical capability and the ability of VTI to purchase service elements from appropriate tariffs for resale are available.

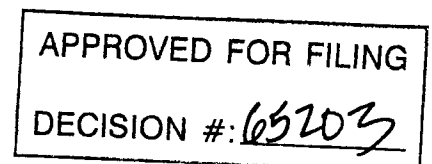
The provision of Local Exchange Services is subject to existing regulations and terms and conditions specified in this tariff and VTI's current tariffs, and may be revised, added to or supplemented by superceding issues. Local Exchange Services described herein may be offered in conjunction with other telecommunications services described in and regulated by VTI's A.C.C. Tariff No. 1 "Telecommunications Services Tariff" currently on file with the Commission.

VTI reserves the right to offer its Customers a variety of competitive services as deemed appropriate by VTI.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

1.0 DEFINITIONS**1.1 Definitions of Terms**

Account - A Customer record relating to service or equipment billed to a single telephone number. Service may be provided to one premises or may extend to another premises as long as it is part of the main telephone number.

Building - The term "same building" is to be interpreted to mean a structure under one roof, or two or more structures on the same premises which are connected by a covered passageway in which the wires or cables of the telephone company may be placed without exposure to outside electrical circuits or the weather. In no case can conduit be considered as a covered passageway. The term "same building" does not include those buildings connected by a covered public mall.

Central Office - A common carrier switching center in which trunks and loops are terminated and switched.

Collect Call - Denotes a billing arrangement by which the charge for a message may be reversed provided the charge is accepted at the called service point. A collect call may be billed to a Calling Card or third number. If the called service point is identified as a Pay Telephone, the charges must be billed to a Calling Card or third number.

Commission - Arizona Corporation Commission

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

1.0 DEFINITIONS (Continued)

1.1 Definitions of Terms (Continued)

Communications System - Channels and other facilities which are capable, when not connected to the Telecommunications Network, of two-way communications between terminal equipment.

Company or Carrier - VarTec Telecom, Inc. unless otherwise clearly indicated by the context.

Construction Charge - A separate initial charge made for construction of pole lines, circuits, facilities, etc., in excess of that contemplated under the rates quoted herein.

Customer - The person, firm, corporation or other entity which initiates a call on VTI's network, or accepts billing for the call on VTI's network, subject to the terms and conditions of VTI's tariff regulations.

Demarcation Point - The point of demarcation and/or interconnection between a telecommunication provider's facilities and terminal equipment, protective apparatus or wiring at a subscriber's premises. Telephone company installed facilities at/or constituting the demarcation point shall consist of wire and/or a jack conforming to Sub-part F of Part 68 of the Federal Communications Commission's rules.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

1.0 DEFINITIONS (Continued)

1.1 Definitions of Terms (Continued)

Directory Listing - The publication in the white pages telephone directory of information relative to the Customer's assigned telephone number, by which telephone users are enabled to ascertain the telephone number of a desired individual or business.

Equipment Space - An area or areas, agreed upon by the parties, located on or within a structure that is specifically designated for the purpose of terminating regulated telephone services and housing facilities. The necessary security, lighting, commercial power and environmental controls are provided within this area.

Exchange - A telephone system which provides for service within a specified area known as the "Exchange Area."

Installation Charge - An initial and non-recurring charge made under certain conditions covering the cost or portion of the cost of the work of connecting and furnishing telephone service.

InterLATA - Calls or circuits between different Local Access and Transport Areas.

IntraLATA - Calls or circuits totally within the same Local Access and Transport Area.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

1.0 DEFINITIONS (Continued)

1.1 Definitions of Terms (Continued)

Jurisdiction - A geographic area meeting each of the following conditions: presided over by the same regulatory body, within the boundary of a single state and an area in which VTI is authorized to provide service.

Local Access and Transport Area - A geographic area established for the administration of telecommunications service. It encompasses designated local operating telephone company exchanges which are grouped to serve common social economic and miscellaneous purposes.

Local Exchange Service - Local telephone service provided by any individual, partnership, association, joint-stock company, trust, governmental entity or corporation.

Local Service Area - The area within which service is furnished between stations without charge other than the regular exchange service charge, whether the service is flat rated or measured.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

1.0 DEFINITIONS (Continued)**1.1 Definitions of Terms (Continued)**

Network Control Signaling - The transmission of signals used in the telecommunications system which performs functions such as supervision (control, status and charging signals), address signaling (e.g., dialing), calling and called number identification, audible tone signals (call progress signals indicating re-order or busy conditions, alerting, coin denominations, coin collect and coin return tones) to control the operation of switching machines in the telecommunications system.

Pay Telephone - The equipment placed by a Payphone Service Provider to facilitate the provisioning of pay telephone service to the Customer. Such service is utilized by the use of coins or alternative billing mechanisms.

Premises - All portions of the same building occupied by the same Customer, provided that 1) the portions are not separated from each other by intervening offices, rooms or suites not occupied by the Customers, or 2) the portions on different floors are contiguous and that the portion on the upper floor is directly above the portion occupied on the lower floor. All of the buildings occupied by the same Customer, provided that all of the buildings are located on the same plot of ground and are not intersected by a public highway (A public highway is considered to mean a vehicular thoroughfare which is governmentally owned).

Station - The network control signaling unit, data set or other equipment at the Customer's premises which enables the Customer to establish the communications connections to effect communications through such connections. Denotes a termination of an individual exchange line or PBX trunk provided in accordance with the provisions of this tariff, in switching equipment located in an exchange foreign to the exchange in which the Customer is located.

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ORIGINAL

LOCAL TELECOMMUNICATIONS SERVICES TARIFF

1.0 DEFINITIONS (Continued)

1.1 Definitions of Terms (Continued)

Subscriber - The person, firm, partnership, corporation, or other entity who designates the Company as its primary carrier for telecommunications service. Thus, the Subscriber has a pre-existing business arrangement with the Company and is also a customer.

Telecommunications Network - All facilities of the telephone company that are used to provide its services.

Telephone Company - VarTec Telecom, Inc.

Telephone Number - A designation assigned to a subscriber's station for convenience in operating. Telephone numbers may include the name of a central office, which is termed the "Central Office Designation."

Termination Charge - A charge made to a subscriber if the contract is terminated prior to the expiration of the contract period.

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ORIGINAL

LOCAL TELECOMMUNICATIONS SERVICES TARIFF

1.0 DEFINITIONS (Continued)

1.2 Glossary of Acronyms

CO - Central Office

CPE - Customer Provided Equipment

DTMF - Dual Tone Multi-Frequency

ILEC - Incumbent Local Exchange Carrier

LEC - Local Exchange Carrier

LATA - Local Access and Transport Area

PBX - Private Branch Exchange

PIC - Primary Interexchange Carrier

VTI - VarTec Telecom, Inc.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS

2.1 Undertaking of Company

2.1.1 General

VTI undertakes to provide the services offered in this tariff according to the terms and conditions and at the rates and charges specified herein.

The furnishing of Local Exchange Services consists of one way or two way communication to or from a Demarcation Point on the Customer's premises and another Demarcation Point within a Local Service Area as specified in Section 3 of this tariff.

Services, features and functions will be provided where facilities include, but are not limited to, billing capability and technical capability and such capabilities are available to VTI without unreasonable expense.

A month is considered to have thirty (30) days for the purpose of computing charges in this tariff.

Some services listed in this tariff (e.g., interexchange services) are offered in conjunction or association with services made available in VTI's Arizona Corporation Commission Telecommunications Services Tariff. For such services, the rules, regulations, terms and conditions detailed in VTI's interexchange tariff also apply.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.1 Undertaking of Company (Continued)

2.1.2 Scope

VTI undertakes to furnish Local Exchange Services within the state of Arizona under the terms and conditions of this tariff. Service is available twenty-four (24) hours a day, seven (7) days a week.

VTI is responsible under this tariff only for the services and facilities provided herein. Should Customers use such services and facilities to obtain access to services offered by other providers, VTI assumes no responsibility for such other service.

2.1.3 Limitations

VTI reserves the right to limit or allocate the use of existing facilities, or of additional facilities offered by VTI when necessary because of lack of facilities or due to some other cause beyond VTI's control.

The furnishing of service under this tariff is subject to availability on a continuing basis of all necessary facilities from the ILECs or other providers to VTI for resale.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.1 Undertaking of Company (Continued)****2.1.4 Terms and Conditions**

Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the service, and the terms and conditions in this tariff. The Customer may also be required to execute any other documents as may reasonably be requested by VTI in connection with the provisioning of Local Exchange Services.

At the expiration of any term specified in a service order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party pursuant to an executed contract between the Customer and VTI or pursuant to Arizona rules and regulations. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.

This tariff shall be interpreted and governed by the laws of the state of Arizona.

Other telecommunications companies must not interfere with the right of any person or entity to obtain service directly from VTI.

The Customer has no property right to the telephone number or any other number designation associated with services furnished by VTI. VTI reserves the right, on sixty (60) days notice, to change such numbers, or the central office designation associated with such numbers, or both, assigned to the Customer, whenever VTI deems it necessary to do so in the conduct of its business.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.1 Undertaking of Company (Continued)****2.1.5 Liability of the Company**

VTI shall not be liable for any act or omission of any entity furnishing to VTI or VTI's Customers facilities or equipment used for or with the services VTI offers or for the acts or omissions of other telecommunications companies or Local Exchange Carriers.

With respect to any claim or suit, by a Customer or by others, for damages associated with the ordering (including the reservation of any specific number for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this tariff, and subject to the provisions of this tariff, VTI's liability, if any, shall be limited as provided herein.

The liability of VTI for damages arising out of the furnishing of its services, including but not limited to, mistakes, omissions, interruptions, delays, or errors, other defects, or representations by VTI, or use of these services or damages arising out of the failure to furnish the service whether caused by acts or omission, shall be limited to the extension of allowances for interruptions as set forth in Section 2.11. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of VTI. VTI will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of VTI's employees or agents.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.1 Undertaking of Company (Continued)****2.1.5 Liability of the Company (Continued)**

VTI shall not be liable for any defacement of or damage to Customer premises resulting from the furnishing of services of equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by gross negligence or willful misconduct of VTI's agents or employees. No agents or employees of other telecommunications companies shall be deemed to be agents or employees of VTI.

VTI shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to the following: acts of God, fire, flood, explosion or other catastrophes; law, order, regulation, direction, action or request of the United States government or of any other government, including state and local governments having or claiming jurisdiction over VTI or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of these federal, state, or local governments, or of any military authority; preemption of existing service in compliance with national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials, or strikes, lockouts, work stoppages, or other labor difficulties.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.1 Undertaking of Company (Continued)

2.1.5 Liability of the Company (Continued)

VTI shall not be liable for any damages or losses due to the fault or negligence of, or any omission by, the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.

The Customer shall indemnify and hold VTI harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by and other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, condition, location or use of any installation provided by VTI. VTI reserves the right to require each Customer to sign a service order acknowledging acceptance of the provisions of this section as a condition precedent to such installations.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.1 Undertaking of Company (Continued)

2.1.5 Liability of the Company (Continued)

Notwithstanding the Customer's obligations as set forth in Section 2.4, VTI shall be indemnified, defended, and held harmless by the Customer or by others authorized by it to use the service against any claim, loss or damage arising from Customer's use of services furnished under this tariff including:

- (a) claims for defamation, libel, slander, invasion of privacy, infringement of copyright, unauthorized use of trademark, trade name, or service mark, unfair competition, interference with, misappropriation or violation of any contract, proprietary or creative right, or any other injury to any proprietary or creative right, or any other injury to any person, property or entity arising from the material, data, information or content, revealed to, transmitted, processed, handled or used by VTI under this tariff;
- (b) patent infringement claims arising from combining or connecting the service offered by VTI with apparatus and systems of the Customer or others and
- (c) all other claims arising out of any act or omission of the Customer or others in connection with any service provided by VTI pursuant to this tariff.

The entire liability of VTI for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid to VTI by the Customer for the specific services giving rise to the claim.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.1 Undertaking of Company (Continued)

2.1.5 Liability of the Company (Continued)

VTI makes no warranties or representations, express or implied, including warranties of merchantability or fitness for a peculiar use, except those expressly set forth herein.

VTI shall not be liable for any act or omission of any other company or companies furnishing a portion of the service, or for damages associated with service, channels or equipment which it does not furnish, or for damages which result from the operation of Customer-provided systems, equipment, facilities or services which are interconnected with VTI services.

The underlying service provider shall intercept all calls to a number listed incorrectly in the telephone directory until a new directory is distributed or a correction sheet is mailed to each Customer.

In conjunction with a non-published telephone number, VTI will not be liable for failure or refusal to complete any call to such telephone when the call is not placed by the number. VTI will try to prevent the disclosure of the number of such telephone but will not be liable should such number be divulged.

When a Customer with a non-published telephone number places a call to the Emergency 911 Service, VTI will release the name and address of the calling party, where such information can be determined to the appropriate local governmental authority responsible for the Emergency 911 Service upon request of such governmental authority. By subscribing to service under this tariff, Customer acknowledges and agrees with the release of information as described herein.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.1 Undertaking of Company (Continued)****2.1.5 Liability of the Company (Continued)**

With respect to Emergency 911 Service, the following applies:

1. This service is offered as an aid in handling assistance calls in connection with fire, police and other emergencies. VTI is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person for any personal injury to or death of any person or persons, and for any loss, damage or destruction of property, whether owned by the Customer or others, caused or claimed to have been caused by mistakes, omissions, interruptions, delays, errors or other defects in the provision of this service or installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
2. Neither is VTI responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, occasion by the use of Emergency 911 service features and the equipment associated therewith, or by any services furnished by VTI, including but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing Emergency 911 service, and which arise out of the negligence or other wrongful act of VTI, the Customer, its Customers, agencies or municipalities, or the employees or agents of any one of these.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.1 Undertaking of Company (Continued)****2.1.6 Notification of Service**

VTI will provide the Customer reasonable notification, including the planned date, time and duration, of activities affecting service that may occur in normal operation of its business. Such activities may include but are not limited to, equipment or facilities additions, removals or rearrangements and routing and preventive maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. VTI will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned conditions affecting service, such as outage resulting from cable damage, notification to the Customer may not be possible.

2.1.7 Provision of Equipment and Facilities

VTI shall use reasonable efforts to make services available to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with the regulations contained in this tariff. VTI does not guarantee availability, except as stated or expressly provided for in this tariff.

VTI shall use reasonable efforts to maintain facilities that it furnishes to the Customer. The Customer, or anyone designated by the Customer (except the ILEC) may not rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities installed by VTI, except upon written consent of VTI.

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ORIGINAL

LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.1 Undertaking of Company (Continued)

2.1.7 Provision of Equipment and Facilities (Continued)

VTI shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of VTI shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Beyond this responsibility, VTI shall not be responsible for:

- (a) the transmission of signals by Customer-provided equipment or for the quality of or defects in such transmission;
- (b) the reception of signals by Customer-provided equipment; or
- (c) network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

VTI may substitute, change or rearrange any equipment or facility at any time and from time to time but shall not thereby degrade the technical parameters of the service provided to the Customer.

Equipment VTI provides or installs at the Customer premises for use in connection with services VTI offers, shall not be used for any purpose other than that for which VTI provides, installs or has installed on its behalf.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.1 Undertaking of Company (Continued)

2.1.8 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside VTI's regular business hours or in hazardous locations. In such cases, charges based on the cost of the actual labor, material, or other costs incurred by or charged to VTI will apply. If installation is started during regular business hours and continues into time periods, including but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains with VTI, its agents or contractors or the ILEC.

2.1.10 Special Construction

If the provision of service to a Customer would require the construction of additional facilities, replacement facilities or special facilities designed to meet the Customer's particular needs, the Company, at its option, may seek to obtain the facilities from another carrier, or may construct the facilities. The Customer may be required to pay all of the Company's fees and expenses associated with obtaining or constructing the facilities, including but not limited to, any unusual maintenance costs or removal costs. Construction charges may be required, at the Company's option, prior to commencing work or when billing is rendered. The Customer may be required to enter into a written agreement to pay the construction charges if they are not paid prior to initiation of service.

* Material previously found on this page is now located on page 26.1.

(N)

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

(N)

2.1 Undertaking of Company (Continued)**2.1.10 Special Construction (Continued)**

Any facilities constructed by the Company by the use of construction charges, however financed, shall be and remain the property of the Company, unless otherwise agreed to by the Company pursuant to a written agreement. The Customer does not obtain any rights of ownership in facilities provided by the Company.

The charges and regulations applicable to special construction apply in connection with all classes of service, facilities or equipment furnished by the Company and are in addition to the installation charges, service connection and move charges and monthly service charges otherwise applicable to the provision of service to the Customer pursuant to other sections of this tariff.

(N)

2.2 Prohibited Uses

(L)

The services VTI offers shall not be used for any unlawful purposes or for any use which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits. Services may not be used for any purpose for which any payment or other compensation is received by the Customer except when the Customer is a duly authorized regulated telecommunications company.

VTI may require a Customer to discontinue its transmission of signals if said transmission is causing interference to others.

VTI may discontinue service if a Customer fails to comply with any of the rules herein. The Customer's service will only be suspended or discontinued as allowed under the Arizona Administrative Code.

(L)

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.3 Discontinuance and Restoration of Service****2.3.1 Intentional Abuse of Service**

VTI has the right to refuse telephone service to any premises and at any time to discontinue telephone service, if it finds it necessary to do so to protect itself against intentional abuse. Intentional abuse of service includes, without limiting the generality of the foregoing, the use of service or facilities of VTI to transmit a message or to locate a person or otherwise to give or obtain information, without payment of an exchange service charge. Another form of such abuse is an intentional uninterrupted connection of one exchange station to another station, excluding those connections charged for on an elapsed time basis, which permits the use of the facilities in a manner similar to private line service. It also includes intentional receiver off-hook conditions.

2.3.2 Disconnection of Service for Cause

Upon non-payment of any sum due to VTI or upon violation of any of the conditions governing the furnishing of services as provided in this tariff, VTI may by notice in writing mailed to the Customer, without incurring any liability, temporarily discontinue the furnishing of service to the Customer. Telephone services may be discontinued five (5) days after mailing notice of intention to discontinue service, and a service order charge will be made by VTI for restoration of such account and/or line. If VTI elects to discontinue service, the Customer shall be responsible for all charges through the date of termination.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.3 Discontinuance and Restoration of Service (Continued)****2.3.2 Disconnection of Service for Cause (Continued)**

If any Customer-provided equipment is used with facilities provided by VTI in violation of any law or any of the provisions in this tariff, VTI will take such action as is necessary for the protection of its facilities or the service of its other Customers and other persons provided with telecommunications services. The Customer shall discontinue such use of the equipment or correct the violation immediately upon actual or constructive knowledge of a violation and shall confirm in writing to VTI within seven (7) calendar days that such use has ceased or that the violation has been corrected. Failure of the Customer to discontinue such use or correct the violation and to give the required written confirmation to VTI within the time stated above shall result in interruption of the service of the Customer creating the violation, once appropriate notice of the potential disconnection or suspension has been provided by VTI to the Customer pursuant to Arizona Administrative Code.

Service may be refused, reduced, or partially or completely discontinued without notice in the event VTI is informed that the service is used in such a manner that will adversely affect VTI's service to others.

VTI may disconnect service in accordance with the terms hereof without any liability except for an appropriate refund of any service deposit with accrued interest.

Customers having their local service terminated by VTI will be notified by VTI in accordance with the applicable rules and regulations of the Commission regarding termination of service.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.3 Discontinuance and Restoration of Service (Continued)****2.3.3 Restoration of Service**

When a Customer's service has been disconnected in accordance with this tariff, service will be re-established only upon the basis of an application for new service.

If a service has been suspended, discontinued or disconnected for nonpayment, service will be re-established upon receipt of all charges due, which includes charges for services and facilities during the period of suspension and which may include a service restoration fee. If the Customer has a history of payments returned for insufficient funds, VTI may require payment by cash, money order or certified check. If such payment is made by personal check, restoration of service will be effective only upon bank clearance of the check.

2.4 Customer Obligations and Liability

The Customer is responsible for the payment of bills associated with the use of VTI's service. Whether or not authorized by the Customer, this includes payment for calls and services: (1) originated at the Customer's number(s), (2) accepted at the Customer's number(s) (e.g., collect calls) and/or (3) incurred at the specific request of the Customer.

The Customer is responsible for making VTI facilities and equipment available periodically for maintenance purposes at a time agreeable to both VTI and the Customer. No allowance for interruptions in service will be made for the period during which service is interrupted for such purposes.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.4 Customer Obligations and Liability (Continued)**

The Customer is responsible for reimbursing VTI for damages to, or loss of, VTI's facilities or equipment caused by the acts or omissions of the Customer, the non-compliance by the Customer with these regulations or by fire or theft or other casualty on the Customer's premises, unless caused by the negligence or willful misconduct of the employees or agents of VTI. VTI may, upon reimbursement for damages, cooperate with the Customer in prosecuting a claim against the person causing such damage, and the Customer shall be subrogated to VTI's right of recovery of damages to the extent of such payment.

The Customer is responsible for obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide Local Exchange Service to the Customer from the cable building entrance or property line to the location of the equipment space described herein. Any costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of VTI-provided facilities, shall be borne entirely by, or may be charged by VTI to, the Customer. VTI may require the Customer to demonstrate its compliance with this section prior to accepting an order for service.

The Customer is responsible for complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of VTI facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible as defined herein, and granting or obtaining permission for VTI agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of VTI.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.4 Customer Obligations and Liability (Continued)**

The Customer is responsible for providing at no charge, as specified from time to time by VTI, any needed personnel, equipment, space and power to operate VTI facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the operating environment on such premises.

The Customer shall be responsible for placing orders for service. When placing an order for service, Customer must provide the name(s) and address(es) of the person(s) responsible for the payment of service charges, the name(s), telephone number(s), and address(es) of the Customer contact person(s) and any other information as deemed appropriate by VTI.

The Customer is responsible for providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which VTI employees and agents shall be installing or maintaining VTI's facilities and equipment. The Customer may be required to install and maintain VTI facilities and equipment within a hazardous area if, in VTI's opinion, injury or damage to VTI's employees or property might result from installation or maintenance by VTI. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material prior to any construction or installation work.

The Customer is responsible for not creating or allowing to be placed or maintained any liens or other encumbrances on VTI's equipment or facilities.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.5 Claims**

With respect to any service or facility provided by VTI, Customer shall indemnify, defend and hold harmless VTI from all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (a) any loss, destruction or damage to property of VTI or any third party, or the death of or injury to persons, including, but not limited to, employees or guests of either VTI or the Customer, to the extent caused by or resulting from negligent or intentional act or omission of the Customer, its employees, agents, representatives or
- (b) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, with limitation, use of VTI's services and facilities in a manner not contemplated by the service order between the Customer and VTI.

2.6 Customer Equipment and Channels**2.6.1 Interconnection of Facilities**

Services furnished by VTI may be connected to the services or facilities of other authorized telecommunications companies only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other telecommunications companies which are applicable to such connections. Service furnished by VTI is not part of a joint undertaking with such other carriers.

Any special interface equipment necessary to achieve compatibility between the facilities and equipment of VTI used for furnishing Local Exchange Service and the channels, facilities, or equipment of others may be provided at the Customer's expense.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.6 Customer Equipment and Channels (Continued)****2.6.1 Interconnection of Facilities (Continued)**

Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provision of this tariff.

2.6.2 Customer Responsibility

The Customer is responsible for taking all necessary legal steps for interconnecting his/her Customer-provided terminal equipment of communications systems with VTI's facilities. Customers shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnections.

2.7 Inspections

Upon reasonable notification to the Customer, and at a reasonable time, VTI may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth herein for the installation, operation, and maintenance of any Customer-provided facilities and equipment to any Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.

If the protective requirements for Customer-provided equipment are not being complied with, VTI may take such action as it deems necessary to protect its facilities, equipment and personnel. VTI may immediately and without notice deny service when the Customer submits VTI or non-VTI personnel to hazardous conditions. When the Customer circumvents VTI's ability to charge for its services, to prevent and protect against fraud or acts in a way that may cause immediate harm to the local exchange network or other VTI services, VTI will give the Customer prior notice before denying service pursuant to Arizona Administrative Code.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.8 Payments and Charges****2.8.1 Payment for Service**

The Customer is responsible for payment of all charges for service and facilities furnished by VTI to the Customer, whether authorized or not. If an entity other than VTI imposes charges on VTI, in addition to its own internal costs, and in connection with a service for which a VTI charge is specified, those charges may be passed on to the Customer.

Customers may pay for service by credit card, an authorized payment agent, or check or other method of payment as deemed appropriate by VTI.

VTI will bill Customer a one-time charge of \$15.00 if Customer's check for payment of service is returned for insufficient or uncollected funds, closed accounts, or any other insufficiency or discrepancy necessitating return of the check at the discretion of the drawee bank or other financial institution.

2.8.1.A Alternative Payment Processing

VTI allows Customers to make payment for services rendered through alternative payment processing options, including but not limited to, credit card payments and automated clearing house ("ACH") transactions. Customers may make payment using alternative payment processing through VTI's Customer Care Center, the Company's internet website or other methods approved by VTI. When a payment for service is made by an alternative payment processing option, processing fees as described in Section 4.8 of this Tariff may apply. The acceptance of alternative payment processing options for the satisfaction of the Customer's debts to Carrier shall not constitute a waiver by Carrier of its right to payment by legal tender.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.8 Payments and Charges (Continued)****2.8.2 Taxes**

Any assessments, franchise fees, privileges, licenses, occupation, excise, or other similar fees or taxes, whether in a lump sum or at a flat rate, based upon receipts or property units, imposed upon VTI by any governmental authority shall be added pro rata, insofar as practical, to the rates and charges stated in VTI's rate schedules. VTI shall, so long as any such tax or fee is in effect, add to the bills of the Customers an amount sufficient to recover any such tax or fee and may list this amount separately on the bill.

2.8.3 Establishment and Re-establishment of Credit

VTI may conduct a credit investigation of each Customer or applicant prior to accepting the service order, Customer deposit or advance payment. A Customer whose service has been discontinued by VTI for non-payment of bills for any telecommunications service will be required to pay all bills due to VTI for telecommunications services or make other arrangements satisfactory to VTI and to re-establish credit before service is restored or any service started.

2.8.4 Billing and Collection

The Customer is responsible for payment of all charges for equipment or facilities and services furnished by VTI to the Customer.

VTI will establish a monthly billing date for each Customer account and shall bill all charges incurred by, and credits due to the Customer under this tariff. Recurring charges are billed in advance of the month(s) in which service is provided, except where prohibited by law. Usage sensitive charges will be billed for the preceding billing period. Recurring charges and usage sensitive charges for the federal government will be billed in arrears. Bills are due by the payment due date shown on the bill.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.8 Payments and Charges (Continued)****2.8.4 Billing and Collection (Continued)**

When service does not begin on the first day of the billing cycle, or end on the last day of the billing cycle, the charge for the fraction of the billing cycle in which service was furnished will be calculated on a pro rata basis.

2.8.5 Billing Disputes

The date of the dispute shall be the date VTI receives sufficient documentation to enable it to investigate the dispute. The Customer is responsible for notifying VTI, either verbally or in writing, of any charges in dispute and the specific basis of such dispute. All charges not in dispute shall be paid by the Customer by the payment due date. Upon notification of a dispute, VTI shall undertake an investigation of the disputed charges. At the conclusion of the investigation, VTI shall notify the Customer of any amount determined by VTI to be correctly charged, and such amount shall become immediately due. Amounts determined by VTI to be correctly charged shall also be subject to the late payment fee specified in this tariff.

In the event of a dispute, the Customer may be liable for reasonable court costs and attorneys' fees.

2.8.6 Advance Payments

VTI may require a Customer or applicant to make an advance payment as a condition of continued or new service. VTI reserves the right to require from an applicant advance payments of recurring and non-recurring charges, estimated usage charges and other charges and guarantees in such amount as may be deemed necessary by VTI for safeguarding its interests. In addition, where special construction is involved, advance payment of the construction charges quoted may be required at the time of application. The advance payment will be applied to any indebtedness for the service and facilities for which the advance payment is made.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.8 Payments and Charges (Continued)****2.8.7 Deposits**

VTI may require a deposit, or an increase in the amount of deposit, of a Customer who cannot establish a credit standing satisfactory to VTI. If the actual bills of the Customer subsequently rendered prove that the deposit is either insufficient or excessive, the deposit may be changed in accordance with the facts.

Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.

A deposit is returned to the Customer, less any amounts due VTI when service is disconnected. If a residential Customer has paid all bills by the due date for the last twelve (12) months, VTI must promptly refund the deposit. VTI is not required to refund deposits on business or commercial accounts until the account is closed. Refunds may be made through a credit on the next billing cycle. Even though a deposit is made, the Customer must still pay bills, including any advance payments, when requested. A Customer's payment of a deposit does not waive or modify VTI's practice of disconnecting service for failure to pay any bills.

2.8.8 Late Payment Fee

If any portion of the Customer's payment is received by VTI after the payment due date which shall be no less than fifteen (15) days from the date of mailing the bill, or if any portion of the payment is received by VTI in funds which are not immediately available upon presentation, a late payment fee shall be due to VTI, provided billing capability exists. The late payment fee shall be the portion of the payment not received by the date due, multiplied by a factor. The late payment factor shall be 1.5% per month.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.8 Payments and Charges (Continued)

2.8.8 Late Payment Fee (Continued)

Late payment fees do not apply to the disputed portion of unpaid balances, if resolved in favor of the Customer. The disputed portion of unpaid balances, if resolved in favor of VTI, may be subject to the late payment fee as of the original due date noted on the Customer's bill. Undisputed amounts of the same bill may be subject to the late payment fee if they remain unpaid by the due date noted on the Customer's bill.

Collection procedures and security deposit requirements are unaffected by the application of the late payment fee. The late payment fee does not apply to final accounts.

2.8.9 Multi-brand and Affiliate Credit and Collections Practices

VarTec may collect on behalf of the Company and/or its affiliates or brands in one or more transactions as permitted by law.

VarTec reserves the right to apply credit balances from one VarTec affiliate or brand to another to satisfy outstanding account balances for billed regulated telecommunications services.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.9 Cancellation, Discontinuance and Changes

2.9.1 Cancellation of Application for Service

When a Customer cancels an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for these specified herein.

Where, prior to cancellation by the Customer, VTI incurs any expenses in installing the service that it otherwise would not have incurred, a charge equal to the costs VTI incurred, less net salvage, shall apply but in no case, shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against VTI that would have been chargeable to the Customer had service begun.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.9 Cancellation, Discontinuance and Changes (Continued)****2.9.1 Cancellation of Application for Service (Continued)**

Where VTI incurs an expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before VTI receives a cancellation notice, a charge equal to the costs incurred, less net salvage, applies.

The charges described above will be calculated and applied on a case-by-case basis.

2.9.2 Cancellation of Service

If a Customer cancels a service order or terminates services before the completion of the term for any reason whatsoever, the Customer agrees to pay VTI the following:

- (a) all nonrecurring charges reasonably expended by VTI to establish service to the Customer.
- (b) any disconnection, early cancellation, or termination charges reasonably incurred and paid to third parties by VTI.
- (c) all recurring charges associated with the service being utilized for the balance of applicable term.
- (d) any other charges set forth in this tariff or in the service order for such early cancellation or termination.

The above sums shall become due as of the effective date of the cancellation or termination and be payable within the period, as set forth in this tariff.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.9 Cancellation, Discontinuance and Changes (Continued)****2.9.3 Discontinuance of Service**

VTI may discontinue or refuse to furnish any and/or all service(s) to the Customer or applicant for service without incurring any liability if VTI deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities, equipment, assets or service.

The discontinuance of service(s) by VTI pursuant to this Section does not relieve the Customer of any obligation to pay VTI for charges due for service(s) rendered up to the time of discontinuance. In addition, VTI may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer, to be immediately due and payable.

In the event VTI incurs fees or expenses, including attorneys' fees, in collecting or attempting to collect any charges owed VTI, the Customer will be liable to VTI for the payment of all such fees and expenses reasonable incurred.

VTI may discontinue service of any Customer who, with intent to annoy, telephones another and addresses to or about such other person any obscene language or addresses to such other person any threat to inflict injury to the person or property of the person addressed or any family member.

VTI may discontinue service of any Customer who, with intent to annoy, repeatedly telephones another without disclosing his true identity to the person answering the telephones, whether or not conversation ensues during the telephone calls.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.9 Cancellation, Discontinuance and Changes (Continued)****2.9.3 Discontinuance of Service (Continued)**

VTI may, without incurring any liability, discontinue or suspend service without notice or refuse service if: (a) the Customer provides false information to VTI regarding the Customer's identity, address, creditworthiness, its past or current use of communications services, or its planned use of VTI's service(s); (b) the Customer uses service to transmit a message, locate a person or otherwise give or obtain information without payment for the service or (c) the Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part, of the tariffed charges for the service by using or attempting to use any fraudulent means or devices.

VTI may, without incurring any liability, discontinue or suspend service within five (5) days written notice, or refuse service if (a) the Customer refuses to furnish information to VTI regarding the Customer's creditworthiness, his/her past or current use of communications services or his/her planned use of service(s); (b) the Customer states that he/she will not comply with a request of VTI for deposits and/or advance payments, as specified in this tariff; (c) any material portion of the facilities used by VTI to provide service to the Customer is condemned or a casualty renders all or any material portion of such equipment or facilities inoperable beyond feasible repair; (d) any governmental order or directive calls for the discontinuation of service, the Customer alters the services to be provided, or the Customer violates an applicable federal, state or local law or regulation or (e) the Customer uses service without payment for the service or the Customer fails to pay any amounts owing to VTI for services to which the Customer subscribes or had subscribed or used.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)

2.9 Cancellation, Discontinuance and Changes (Continued)

2.9.4 Changes in Service

If the Customer makes or requests material changes in circuit engineering, equipment or facility specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, Customer charges shall be adjusted accordingly.

2.10 Credit Allowance - Directory Listings

Subject to the provisions of Section 2.1.4 of this tariff, VTI shall allow, for errors or omissions in alphabetical telephone directories (excluding the use of bold face type), an amount within the following limits:

- (a) for listings and lines of information in alphabetical telephone directories furnished at additional charge, an amount not in excess of the charge for that listing during the effective life of the directory in which the error or omission occurred.
- (b) for listings in information records furnished at additional charge, an amount not in excess of the charge for the listing during the period the error or omission continued.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.11 Allowances for Interruptions in Service**

When the use of service or facilities finished by VTI is interrupted due to any cause other than the negligence or willful act of the Customer, or the operation or failure of the facilities or equipment provided by the Customer, a pro rata adjustment of the monthly Charges subject to interruption will be allowed for the service and facilities rendered useless and inoperative by reason of the interruption whenever said interruption continues for a period of twenty-four (24) hours or more from the time the interruption is reported to or known to exist by VTI, except as otherwise specified in VTI's tariffs.

It shall be the obligation of the Customer to notify VTI immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission of the Customer within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to VTI's terminal. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.

2.11.1 Credit Allowances

Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in facilities or equipment owned, provided and billed for by VTI.

Credit allowances for failure of service or equipment starts when Customer notifies VTI of the failure or when VTI becomes aware of the failure and ceases when the operation has been restored and an attempt has been made to notify Customer.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.11 Allowances for Interruptions in Service (Continued)****2.11.1 Credit Allowances (Continued)**

For calculating credit allowances, every month is considered to have thirty (30) days. A credit allowance is applied on a pro rata basis against the monthly Charges specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit. Credit allowances for services outages that exceed 24 hours in duration will be rounded up to the next whole twenty-four (24) hours.

2.11.2 Limitations on Allowances

No credit will be made for interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer or for interruptions due to the negligence of any person using VTI's facilities with the Customer's permission. No credit will be given by VTI for interruptions due to the failure or malfunction of non-VTI equipment or interruptions of service during any period in which VTI is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions. No credit will be given to the Customer for interruptions of service during a period in which the Customer continues to use the service on an impaired basis, interruptions of service during any period when the Customer has released service to VTI for maintenance purposes or for implementation of a Customer order for a change in service arrangements, or interruption of service due to circumstances or causes beyond the control of VTI.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.12 Transfers and Assignments**

Neither VTI nor the Customer may assign or transfer its rights or duties in connection with the services and equipment or facilities provided by VTI without the written consent of VTI. VTI may assign its rights and duties without prior notice or consent (a) to any subsidiary, parent company or affiliate of VTI; (b) pursuant to any sale or transfer or substantially all the assets of VTI; or (c) pursuant to any financing, merger or reorganization of VTI.

2.13 Notices and Communications

All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by VTI, shall be presumed to have been delivered to the other party on the third business day following deposit of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

VTI or the Customer shall advise the other party of any changes to the address designated for notices, billing or other communications.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

2.0 RULES AND REGULATIONS (Continued)**2.14 Violation of Regulations**

When any terminal equipment or communications system is used with Local Exchange Services in violation of any of the provisions of this tariff, VTI will take any necessary immediate action to protect its services or interests, including disconnection of the service, and will promptly notify the Customer of the violation in writing. Within ten (10) days upon receipt of said notification, the Customer shall discontinue such improper use of the terminal equipment or communications system or correct the violation and shall confirm in writing to VTI that such use has ceased or that the violation has been corrected. Failure of the Customer to discontinue such use or to correct the violation and to give the required written confirmation to VTI within the time stated above shall result in disconnection of the Customer's service until such time as the Customer complies with the provisions of this tariff.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS**3.1 General**

VarTec's Local Exchange Service provides Customers with unlimited calling to points within their designated local calling area. VarTec's service areas are limited to the exchanges listed in Section 3.1.1 following.

VTI also provides optional services to allow Customers to efficiently manage the call flow generated over their telephone line(s). These services are subject to availability of facilities and compatibility with Customer type of access line and premises equipment. Optional services are only available to Customers of VTI's basic local services and are not available on Centrex and PBX trunks. When multiple services are activated on the same line, certain services may take precedence over others.

3.1.1 Service Areas and Zones

Local exchange telecommunications services provided by VTI shall be limited to Customers within the following exchanges as defined by the exchange maps filed by the incumbent Local Exchange Carriers and currently on file with the Commission.

A. Zone 1

Phoenix Metropolitan Exchanges including:

Agua Fria, Anthem, Chandler, Deer Valley, Gilbert, Glendale, Litchfield Park, Marana, Mesa, North Phoenix, Scottsdale and Tempe

Tucson

Yuma

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS**3.2 Basic Residential Local Service**

Basic Residential Local Service allows residential Customers to place local calls according to the rates as set forth herein. The standard features of Basic Residential Local Service include an assigned telephone number, dial tone, Dual Tone Multi-Frequency (DTMF – i.e., Touch Tone) and rotary signaling, access to long distance services and unlimited local calling within the standard local calling area.

Customers of Basic Residential Local Service have the ability to utilize 911/E911 emergency services, 711, 611 and 411 services (where available), operator services and long distance services. In addition, the Customer will have a listing in the applicable 911/E911 database, white pages telephone directory and the Directory Assistance database. Information obtained from the Customer is required but may have a designation for non-publication.

Increments for provision of non-optional Extended Area Service will be added when applicable.

Basic Residential Local Service is available only as part of VarTec's One Choice® Premium Package. Rates and charges associated with VarTec's One Choice® Premium Package are set forth in Section 4.2.1 following.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service****3.2.1 One Choice® Select Package**

One Choice® Select Package provides residential Customers in Arizona with local and long distance calling for a flat rate. In order to subscribe to One Choice® Select Package, Customers must select VTI as the primary service provider for local exchange, intraLATA interexchange and interLATA interexchange telecommunications services. Furthermore, Customers must select one of the following two long distance plans: One Choice® Long Distance Service (a.k.a. VarTec VoiceSM Service) as described in Section 3.26 of the VTI's A.C.C. Telecommunications Services Tariff or FiveLine® Service as described in Section 3.14 of VTI's A.C.C. Telecommunications Services Tariff. The availability of One Choice® Select Package to Customers may be restricted based upon both VTI's access to services through the incumbent local exchange carrier and the Customer's creditworthiness as determined by information contained in a credit bureau report received from a credit reporting agency.

One Choice® Select Package includes Basic Residential Local Service as described in Section 3.2, Call Waiting as described in Section 3.4.8, Call Return as described in Section 3.4.7, Caller ID - Name & Number as described in Section 3.4.10, Auto Redial as described in Section 3.4.1, Anonymous Call Rejection as described in Section 3.4.13 and 100 minutes of domestic long distance usage which are subject to call length minimums associated with the Customer's selected long distance calling service, the FiveLine® Service or the VarTec VoiceSM Long Distance Service. Any additional long distance usage beyond the included minutes will be billed according to the same selected long distance plan. The included long distance usage does not accumulate on a month-to-month basis, and no credit will be given to Customers who do not use the included allotted minutes. One Choice® Select Package does not include equipment associated with the Caller ID - Name & Number feature.

Rates and charges associated with One Choice® Select Package are set forth in Section 4.2.1 following.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.2 One Choice® Elite Package**

One Choice® Elite Package provides residential Customers in Arizona with local and long distance calling for a flat rate. In order to subscribe to One Choice® Elite Package, Customers must select VTI as the primary service provider for local exchange, intraLATA interexchange and interLATA interexchange telecommunications services. Furthermore, Customers must select one of the following two long distance plans: One Choice® Long Distance Service (a.k.a. VarTec VoiceSM Service) as described in Section 3.26 of the VTI's A.C.C. Telecommunications Services Tariff or FiveLine® Service as described in Section 3.14 of VTI's A.C.C. Telecommunications Services Tariff. The availability of One Choice® Elite Package to Customers may be restricted based upon both VTI's access to services through the incumbent local exchange carrier and the Customer's creditworthiness as determined by information contained in a credit bureau report received from a credit reporting agency.

One Choice® Elite Package includes Basic Residential Local Service as described in Section 3.2, Call Waiting as described in Section 3.4.8, Caller ID - Name & Number as described in Section 3.4.10, Speed Calling as described in Section 3.4.11, Three-Way Calling as described in Section 3.4.12, Call Return as described in Section 3.4.7, Anonymous Call Rejection as described in Section 3.4.13, Auto Redial as described in Section 3.4.1, Selective Call Rejection as described in Section 3.4.15 and 200 minutes of domestic long distance usage which are subject to call length minimums associated with the Customer's selected long distance service, the FiveLine® Service or the VarTec VoiceSM Long Distance Service. Any additional long distance usage beyond the included minutes will be billed according to the same selected long distance plan. The included long distance usage does not accumulate on a month-to-month basis, and no credit will be given to Customers who do not use the included allotted minutes. One Choice® Elite Package does not include equipment associated with the Caller ID - Name & Number feature.

Rates and charges associated with One Choice® Elite Package are set forth in Section 4.2.2 following.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.3 VarTec Friends-R-FreeSM Classic Package**

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The VarTec Friends-R-FreeSM Classic Package provides Customers with local and long distance calling for a flat monthly rate. As of January 19, 2003, VarTec Friends-R-FreeSM Classic Package is only available to existing customers of the Friends-R-FreeSM Classic Package (formerly known as Friends-R-FreeSM Package). In order to select the VarTec Friends-R-FreeSM Classic Package, Customers must subscribe to VTI as their primary service provider for local exchange services. Customers may also select VTI for intraLATA interexchange and interLATA interexchange telecommunications services or may utilize VTI's interexchange services by using a Company-designated 10-1X-XXX access code. Furthermore, Customers must select one of the following two (2) VTI long distance plans: One Choice[®] Long Distance Service (a.k.a. VarTec VoiceSM Service) as described in Section 3.26 of the VTI's A.C.C. Telecommunications Services Tariff or FiveLine[®] Service as described in Section 3.14 of VTI's A.C.C. Telecommunications Services Tariff. The availability of the VarTec Friends-R-FreeSM Classic Package to Customers may be restricted based upon both VTI's access to services through the incumbent local exchange carrier and the Customer's creditworthiness as determined by information contained in a credit bureau report received from a credit reporting agency.

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The VarTec Friends-R-FreeSM Classic Package includes Basic Residential Local Service as described in Section 3.2, Call Return as described in Section 3.4.7, Call Waiting as described in Section 3.4.8, Three-Way Calling as described in Section 3.4.12, Caller ID - Name & Number as described in Section 3.4.10 and Call Waiting ID as described in Section 3.4.14. The VarTec Friends-R-FreeSM Classic Package does not include equipment associated with the Caller ID - Name and Number feature.

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3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.3 VarTec Friends-R-FreeSM Classic Package (Continued)**

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Customers who select the VarTec Friends-R-FreeSM Classic Package will receive an allotment of 100 minutes per month of interstate and intrastate (interLATA and intraLATA) usage. The call length minimums with the Customer's selected long distance calling plan, the FiveLine[®] Service or One Choice[®] Long Distance Service (a.k.a. VarTec VoiceSM Long Distance Service) will apply to the included 100 minutes. Any additional long distance usage beyond the included 100 minutes will be billed according to the Customer's selected long distance plan. The 100 minutes of long distance domestic usage will not accumulate on a month-to-month basis, and no credit will be given to Customers who do not use the included allotted minutes. Unused minutes will be forfeited at the end of the calendar month.

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As noted above, rates and charges for the FiveLine[®] Service or One Choice[®] Long Distance Service (a.k.a. VarTec VoiceSM Long Distance Service) are listed in VTI's A.C.C. Telecommunications Services Tariff - Sections 3.14 and 3.26, respectively.

If VarTec Friends-R-FreeSM Classic Package Customers originate calls by dialing 1+ (Area Code) and telephone number or 1+ (10XXX) + (Area Code) and telephone number on a direct-dialed basis and terminate calls to other VarTec Friends-R-FreeSM Classic Package or VarTec Friends-R-FreeSM Package Customer's telephone number(s), they will be eligible to receive Friends-R-FreeSM Classic Feature as described in Section 3.2.3.1 following.

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3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.3 VarTec Friends-R-FreeSM Classic Package (Continued)****3.2.3.1 Friends-R-FreeSM Classic Feature**

Customers of the VarTec Friends-R-FreeSM Classic Package may place unlimited 1+, direct-dialed calls or use a Company-designated casual calling (dial-around) code when dialing long distance calls to other Customers subscribing to VTI's Friends-R-FreeSM Classic Package or Friends-R-FreeSM Package at no additional charge. However, the long distance usage to other Customers subscribing to VTI's Friends-R-FreeSM Classic Package or Friends-R-FreeSM Package is not deducted from the included 100 minutes of domestic long distance usage described above.

Customer telephone numbers which are not capable of being subscribed to an interexchange carrier, and telephone numbers which are associated with Company 800/8XX service(s) or access codes associated with Company services other than switched services (e.g., travel calling card service numbers) are not eligible for inclusion in or the benefits of VTI's Friends-R-FreeSM Classic Feature.

If a Customer discontinues his or her VarTec Friends-R-FreeSM Classic Package, only those eligible long distance calls which were made while he or she was a Customer with the VarTec Friends-R-FreeSM Classic Package will receive the Friends-R-FreeSM Classic Feature.

The Friends-R-FreeSM Classic Feature does not apply to service which is provided on any special access line or Local Exchange Company service line for which the Customer pays a rate described as a business or commercial special access line in an applicable Local Exchange Company access service tariff.

The VarTec Friends-R-FreeSM Classic Package is intended for residential use only, and all terms of the Friends-R-FreeSM Classic Package Acceptable Use Policy set forth as follows in Section 3.2.3.2 apply.

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3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.3 VarTec Friends-R-FreeSM Classic Package (Continued)**

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3.2.3.2 Acceptable Use Policy

Friends-R-FreeSM Classic service is for residential voice use only and provides unlimited interstate and intrastate long distance calls between residential telephone lines that are enrolled in the Friends-R-FreeSM Classic or Friends-R-FreeSM service plans. Only calls that originate from and terminate at telephone numbers enrolled in the Friends-R-FreeSM Classic or Friends-R-FreeSM service plans are eligible. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of the service and/or assessment of a fee. Calling patterns other than that which are considered usual and normal based on Customer calling history or industry standards may cause termination of service.

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The Friends-R-FreeSM Classic service plan is intended only for residential voice use usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer account usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the Friends-R-FreeSM Classic service plan that reflects calling patterns other than those that are considered usual and normal for residential customers based on industry standards or personal past calling history may be considered abuse and result in termination of service without refund or the possibility of renewal.

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VarTec Telecom reserves the right in its sole discretion to cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom Friends-R-FreeSM Classic service plan, Customer agrees to use the service in accordance with this acceptable use policy and other terms and conditions of service and to indemnify and hold VarTec Telecom harmless from any claims resulting from use or misuse of its products and services.

(T)

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to your then current service and usage.

ISSUED: December 20, 2002**EFFECTIVE: January 19, 2003**

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.3 VarTec Friends-R-FreeSM Classic Package (Continued)

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3.2.3.2 Acceptable Use Policy (Continued)

Prohibited Use/Abuse

The following are prohibited uses of the Friends-R-FreeSM Classic service plan that may result in termination of service:

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- Calling patterns and usage that considerably exceed what is considered usual and normal for residential customers by industry standards
- Calling usage that considerably exceeds your established history of usage
- Use for any type of commercial business
- Commercial faxing, fax broadcasting, or fax blasting
- Use of Auto-Dialers or predictive dialer
- Use of Phone Chat Rooms
- Calls to 900 or 976 numbers
- Modem data transfer
- Use for dialing into an ISP or any type of data transmission
- Use for medical transcription
- Use is not for call back, call sell, or debit card services.
- Service is not to be used for call centers or telemarketing
- Any use not consistent with residential voice usage, or for which the service is otherwise intended.

Customers who exceed 2000 minutes of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this acceptable use policy. Depending on the evaluation results, Customers whose use constitutes, in VarTec's sole discretion, violation of this policy will be notified in writing that their Friends-R-FreeSM Classic service plan may be terminated and/or a \$50.00 data/commercial usage fee assessed for any subsequent violation.

(T)

VTI reserves the right, in the event of fraud, to terminate service immediately without notice or exigent circumstances.

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3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.4 One Choice® Additional Line Service**

One Choice® Additional Line Service provides the same features and benefits of Basic Residential Service as described in Section 3.2, including unlimited local calling and the ability to utilize 911 emergency services. One Choice® Additional Line Service is only available to Customers who also subscribe to one of VTI's One Choice® Bundled Packages described herein, and this service may not be available in all areas. One Choice® Additional Line Service must be installed at the same service address as the Customer's primary line subscribed to one of the One Choice® Bundled Packages and must be billed on the same account. Any additional benefits of the Customer's selected One Choice® Bundled Package, such as included long distance minutes or Call Management features, do not apply to One Choice® Additional Line Service. Optional Call Management features as described in Sections 3.4 and 4.4 are available to subscribers of One Choice® Additional Line Service and will be billed at the rates defined therein in addition to all charges associated with the Customer's One Choice® Additional Line Service.

In order to subscribe to One Choice® Additional Line Service, Customers must select VTI as the primary service provider for interexchange services for the One Choice® Additional Line. Furthermore, Customers must select one of the following two long distance plans: One Choice® Long Distance Service (a.k.a. VarTec VoiceSM Service) as described in Section 3.26 of the VTI's A.C.C. Telecommunications Services Tariff or FiveLine® Service as described in Section 3.14 of VTI's A.C.C. Telecommunications Services Tariff.

Rates and charges associated with One Choice® Additional Line Service are set forth in Section 4.2.4 following.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF**3.0 SERVICE DESCRIPTIONS (Continued)****3.2 Basic Residential Local Service (Continued)****3.2.5 VarTec Friends-R-FreeSM Package**

The VarTec Friends-R-FreeSM Package provides Customers with local and long distance calling for a flat monthly rate. In order to select the VarTec Friends-R-FreeSM Package, Customers must subscribe to VTI as their primary service provider for local exchange services. Customers may also select VTI for intraLATA interexchange and interLATA interexchange telecommunications services or may utilize VTI's interexchange services by using a Company-designated 10-1X-XXX access code. Furthermore, Customers must select one of the following two (2) VTI long distance plans: One Choice[®] Long Distance Service (a.k.a. VarTec VoiceSM Service) as described in Section 3.26 of the VTI's A.C.C. Telecommunications Services Tariff or FiveLine[®] Service as described in Section 3.14 of VTI's A.C.C. Telecommunications Services Tariff. The availability of the VarTec Friends-R-FreeSM Package to Customers may be restricted based upon both VTI's access to services through the incumbent local exchange carrier and the Customer's creditworthiness as determined by information contained in a credit bureau report received from a credit reporting agency.

The VarTec Friends-R-FreeSM Package includes Basic Residential Local Service as described in Section 3.2, Call Waiting as described in Section 3.4.8, Caller ID - Name and Number as described in Section 3.4.10 and Call Waiting ID as described in Section 3.4.14. The VarTec Friends-R-FreeSM Package does not include equipment associated with the Caller ID - Name and Number feature.

If VarTec Friends-R-FreeSM Package Customers originate calls by dialing 1+ (Area Code) and telephone number or 1+ (10XXX) + (Area Code) and telephone number on a direct-dialed basis and terminate calls to other VarTec Friends-R-FreeSM Package or VarTec Friends-R-FreeSM Classic Package Customer's telephone number(s), they will be eligible to receive Friends-R-FreeSM Feature as described in Section 3.2.5.1 following.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.5 VarTec Friends-R-FreeSM Package (Continued)****3.2.5.1 Friends-R-FreeSM Feature**

Customers of the VarTec Friends-R-FreeSM Package may place unlimited 1+, direct-dialed calls or use a Company-designated casual calling (dial-around) code when dialing long distance calls to other Customers subscribing to VTI's Friends-R-FreeSM Package or Friends-R-FreeSM Classic Package at no additional charge.

Customer telephone numbers which are not capable of being subscribed to an interexchange carrier, and telephone numbers which are associated with Company 800/8XX service(s) or access codes associated with Company services other than switched services (e.g., travel calling card service numbers) are not eligible for inclusion in or the benefits of VTI's Friends-R-FreeSM Feature.

If a Customer discontinues his or her VarTec Friends-R-FreeSM Package, only those eligible long distance calls which were made while he or she was a Customer with the VarTec Friends-R-FreeSM Package will receive the Friends-R-FreeSM Feature.

The Friends-R-FreeSM Feature does not apply to service which is provided on any special access line or Local Exchange Company service line for which the Customer pays a rate described as a business or commercial special access line in an applicable Local Exchange Company access service tariff.

The VarTec Friends-R-FreeSM Package is intended for residential use only, and all terms of the Friends-R-FreeSM Package Acceptable Use Policy set forth as follows in Section 3.2.5.2 apply.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

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3.2 Basic Residential Local Service (Continued)**3.2.5 VarTec Friends-R-FreeSM Package (Continued)****3.2.5.2 Acceptable Use Policy**

Friends-R-FreeSM service is for residential voice use only and provides unlimited interstate and intrastate long distance calls between residential telephone lines that are enrolled in the Friends-R-FreeSM or Friends-R-FreeSM Classic service plans. Only calls that originate from and terminate at telephone numbers enrolled in the Friends-R-FreeSM or Friends-R-FreeSM Classic service plans are eligible. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of the service and/or assessment of a fee. Calling patterns other than that which are considered usual and normal based on Customer calling history or industry standards may cause termination of service.

The Friends-R-FreeSM service plan is intended only for residential voice use usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer account usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the Friends-R-FreeSM service plan that reflects calling patterns other than those that are considered usual and normal for residential customers based on industry standards or personal past calling history may be considered abuse and result in termination of service without refund or the possibility of renewal.

VarTec Telecom reserves the right in its sole discretion to cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom Friends-R-FreeSM service plan, Customer agrees to use the service in accordance with this acceptable use policy and other terms and conditions of service and to indemnify and hold VarTec Telecom harmless from any claims resulting from use or misuse of its products and services.

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to your then current service and usage.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.5 VarTec Friends-R-FreeSM Package (Continued)

3.2.5.2 Acceptable Use Policy (Continued)

Prohibited Use/Abuse

The following are prohibited uses of the Friends-R-FreeSM service plan that may result in termination of service:

- Calling patterns and usage that considerably exceed what is considered usual and normal for residential customers by industry standards
- Calling usage that considerably exceeds your established history of usage
- Use for any type of commercial business
- Commercial faxing, fax broadcasting, or fax blasting
- Use of Auto-Dialers or predictive dialer
- Use of Phone Chat Rooms
- Calls to 900 or 976 numbers
- Modem data transfer
- Use for dialing into an ISP or any type of data transmission
- Use for medical transcription
- Use is not for call back, call sell, or debit card services.
- Service is not to be used for call centers or telemarketing
- Any use not consistent with residential voice usage, or for which the service is otherwise intended.

Customers who exceed 2000 minutes of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this acceptable use policy. Depending on the evaluation results, Customers whose use constitutes, in VarTec's sole discretion, violation of this policy will be notified in writing that their Friends-R-FreeSM service plan may be terminated and/or a \$50.00 data/commercial usage fee assessed for any subsequent violation.

VTI reserves the right, in the event of fraud, to terminate service immediately without notice or exigent circumstances.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

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3.2 Basic Residential Local Service (Continued)**3.2.6 One Choice® Unlimited Package**

One Choice® Unlimited Package provides residential Customers in Arizona with local and long distance calling for a flat rate. In order to select One Choice® Unlimited Package, Customers must subscribe to VTI as the primary service provider for local exchange, intraLATA interexchange and interLATA interexchange telecommunications services. The availability of the One Choice® Unlimited may be restricted based upon the Customer's creditworthiness as determined by information contained in a credit bureau report received from a credit reporting agency.

One Choice® Unlimited includes Basic Residential Local Service as described in Section 3.2, Call Forwarding as described in Section 3.4.2, Call Waiting as described in Section 3.4.8, Caller ID - Name and Number as described in Section 3.4.10, Speed Calling as described in Section 3.4.11, Anonymous Call Rejection as described in Section 3.4.13, Call Waiting ID as described in Section 3.4.15, Selective Call Rejection as described in Section 3.4.15 and unlimited domestic long distance usage subject to the terms and conditions of the VarTec One Choice® Unlimited Package Acceptable Use Policy. The unlimited domestic long distance usage only applies to non-operator assisted, direct dialed domestic calls. One Choice® Unlimited Package does not include equipment associated with the Caller ID feature.

One Choice® Unlimited Package is intended for residential use only and all terms of the Acceptable Use Policy for One Choice® Unlimited Package apply. At VTI's sole discretion, action may be taken to limit access to toll services if the Customer's toll usage exceeds normal calling patterns or differ from usual and normal industry standards for residential Customers. VTI may also limit or prohibit access to toll services if usage exceeds the Customer's established history of toll usage. These actions may be taken without notice and without incurring liability.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

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3.2 Basic Residential Local Service (Continued)**3.2.6 One Choice® Unlimited Package (Continued)****3.2.6.1 Acceptable Use Policy for One Choice® Unlimited Package**

One Choice® Unlimited service provides unlimited interstate and intrastate long distance calls for residential voice use only. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of service or assessment of a fee. Calling patterns other than that which are considered usual and normal based on Customer calling history or industry standards may cause termination of service.

The One Choice® Unlimited plan is intended only for residential voice use usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer account usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the One Choice® Unlimited service plan that reflects calling patterns other than those that are considered usual and normal for residential customers based on industry standards or personal past calling history may be considered abuse and result in termination of service without refund or the possibility of renewal.

VarTec Telecom reserves the right in its sole discretion to cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom One Choice® Unlimited service plan, Customer agrees to use the service in accordance with this acceptable use policy and other terms and conditions of service and to indemnify and hold the company harmless from any claims resulting from use or misuse of its products and services.

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to their then current service and usage.

(N)

ISSUED: March 27, 2003**EFFECTIVE: April 26, 2003**

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

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3.2 Basic Residential Local Service (Continued)**3.2.6 One Choice® Unlimited Package (Continued)****3.2.6.1 Acceptable Use Policy for One Choice® Unlimited Package (Continued)****Prohibited Use/Abuse**

The following are prohibited uses of the One Choice® Unlimited service plan that may result in termination of service:

- Calling patterns and usage that considerably exceed what is considered usual and normal for residential customers by industry standards
- Calling usage that considerably exceeds your established history of usage
- Use for any type of commercial business
- Commercial faxing, fax broadcasting, or fax blasting
- Use of Auto-Dialers or predictive dialer
- Use of Phone Chat Rooms
- Calls to 900 or 976 numbers
- Modem data transfer
- Use for dialing into an ISP or any type of data transmission
- Use for medical transcription
- Use is not for call back, call sell, or debit card services
- Service is not to be used for call centers or telemarketing
- Any use not consistent with residential voice usage, or for which the service is otherwise intended.

(N)

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.2 Basic Residential Local Service (Continued)****3.2.6 One Choice® Unlimited Package (Continued)****3.2.6.1 Acceptable Use Policy for One Choice® Unlimited Package (Continued)****Prohibited Use/Abuse (Continued)**

Customers who exceed 2000 minutes of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this acceptable use policy. Depending on the evaluation results, Customers whose use constitutes, in VarTec's discretion, violation of this policy will be notified in writing that their One Choice® Unlimited service plan may be terminated and/or a \$50.00 data/commercial usage fee assessed for any subsequent violation.

VTI reserves that right, in the event of fraud, to terminate service immediately without notice or exigent circumstances.

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3.0 SERVICE DESCRIPTIONS (Continued)**3.3 (Reserved for Future Use)****3.4 Call Management Features**

VTI offers optional Call Management Features as described herein to allow Customers to efficiently manage the call flow generated over their telephone line(s). These services are subject to availability of facilities and compatibility with Customer type of access line and premises equipment. Optional services are only available to Customers of VTI's basic local service and are not available on Centrex and PBX trunks. When multiple services are activated on the same line, certain services may take precedence over others.

Rates and charges associated with the Call Management Features described herein are set forth in Section 4.4 following.

3.4.1 Auto Redial

Auto Redial enables the Customer to redial automatically the last outgoing telephone number. If that telephone number is busy, the service will make call attempts to the telephone number for a maximum of thirty (30) minutes beginning with the Customer's activation of Auto Redial, in an effort to establish the call. The Customer will be signaled with a distinctive ring when the call can be completed. Customers access Auto Redial by dialing *66 and can cancel an Auto Redial activation by dialing *86.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.2 Call Forwarding**

Call Forwarding enables the Customer to transfer all incoming calls to another telephone number. The Customer is responsible for the payment of charges (i.e., toll charges) for each call between the Customer's call forwarding equipped telephone and the telephone to which the call is being forwarded. The transmission may not meet normal standards depending upon the distance and routing necessary. Customers who are subscribed to Call Forwarding activate the service by dialing #72 and can deactivate the service by dialing #73.

Call Forwarding may also include the Call Forwarding - Busy Line, Call Forwarding - Don't Answer and Call Forwarding - Busy Line/No Answer features described in Sections 3.4.3, 3.4.4 and 3.4.5.

3.4.3 Call Forwarding - Busy Line

Call Forwarding - Busy Line allows incoming calls that encounter a busy condition to be forwarded to a pre-designated telephone number. The Call Forwarding - Busy Line Customer is responsible for the payment of charges (i.e., toll charges) for each call between his/her call forwarding equipped telephone line and the line to which the call is being forwarded. The transmission may not meet normal standards depending upon the distance and routing necessary.

3.4.4 Call Forwarding - No Answer

Call Forwarding - No Answer allows incoming calls which are not answered after a pre-determined number of rings to be automatically forwarded to a pre-designated telephone number. The Call Forwarding - No Answer Customer is responsible for the payment of charges (i.e., toll charges) for each call between his/her call forwarding equipped telephone line and the line to which the call is being forwarded. The transmission may not meet normal standards depending upon the distance and routing necessary.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.5 Call Forwarding - Busy Line/No Answer**

Call Forwarding - Busy Line/No Answer provides the features of Call Forwarding - Busy Line as described in Section 3.4.3 as well as the features of Call Forwarding - No Answer as described in Section 3.4.4. The Customer is responsible for the payment of charges (i.e., toll charges) for each call between his/her call forwarding equipped telephone line and the line to which the call is being forwarded. The transmission may not meet normal standards depending upon the distance and routing necessary.

3.4.6 Selective Call Forwarding

Selective Call Forwarding provides the Customer with the ability to forward incoming calls from up to fifteen (15) pre-selected telephone numbers to another telephone number. The Customer can construct or modify a telephone number screening list. VTI equipment will screen incoming calls against the Customer's list and forward only those from telephone numbers on the list. The Selective Call Forwarding Customer is responsible for the payment of charges (i.e., toll charges) for each call between the Selective Call Forwarding equipped telephone line and the line to which the call is being forwarded. Calls from numbers not on the list will receive standard call completion. The Customer must also subscribe to one of the Call Forwarding features described herein.

Subscribers to Selective Call Forwarding activate the service and construct or modify the screening list by dialing *63 and following the prompts. This service may be temporarily deactivated by dialing *83.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.7 Call Return**

Call Return enables the Customer to redial automatically the last incoming call, whether or not it was answered. If that telephone number is busy, automated continuous attempts will occur to call the number for a maximum of thirty (30) minutes beginning with the Customer's activation of Call Return in an attempt to establish the call. The Customer will be signaled with a distinctive ring when the call can be completed. Customers activate Call Return by dialing *69.

3.4.8 Call Waiting

Call Waiting alerts Customers via a tone signal while a call is in progress to indicate a second call is waiting and, by operation of the switchhook, allows the Customer to place the first call on hold and answer the waiting call. Call Waiting subscribers may deactivate Call Waiting for the duration of one call by dialing *70 prior to the direct-dialed digits. Call Waiting is automatically reactivated for the next originating or terminating call.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.9 Caller ID - Number Only**

Caller ID - Number Only allows the Customer to identify the calling party prior to the telephone being answered. Caller ID - Number Only displays the telephone number of the calling party on the Customer's CPE before the call is answered at the Customer's premises. Caller ID - Number Only requires a period of time equivalent to two ringing tones in order to produce the name and telephone number display on the CPE. Caller ID - Number Only displays non-published telephone numbers, unless the Customer who has a non-published listing activates a call identification block.

Any Customer subscribing to Caller ID - Number Only will be responsible for the provision of a display device which will be located on the Customer's premises. The installation, repair, and technical capability of that equipment to function in conjunction with the feature specified herein will be the responsibility of the Customer. Company assumes no liability and will be held harmless for any incompatibility of this equipment to perform satisfactorily with the network features described herein.

Telephone CPN information transmitted via Caller ID - Number Only is intended solely for the use of the Caller ID - Number Only subscriber. Resale of this information is prohibited by this tariff. CPN will not be displayed if the called party is off-hook or if the called party answers during the first ring interval. CPN will be displayed for calls made from another central office only if it is linked by appropriate facilities. Caller ID - Number Only is not available on operator-handled calls.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.10 Caller ID - Name and Number**

Caller ID - Name and Number allows the Customer to identify the calling party prior to the telephone being answered. Caller ID - Name and Number displays the name and telephone number of the calling party on the Customer's CPE before the call is answered at the Customer's premises. Caller ID - Name and Number requires a period of time equivalent to two ringing tones in order to produce the name and telephone number display on the CPE. Caller ID - Name and Number displays non-published telephone numbers, unless the Customer who has a non-published listing activates a call identification block.

Any Customer subscribing to Caller ID - Name and Number will be responsible for the provision of a display device which will be located on the Customer's premises. The installation, repair, and technical capability of that equipment to function in conjunction with the feature specified herein will be the responsibility of the Customer. Company assumes no liability and will be held harmless for any incompatibility of this equipment to perform satisfactorily with the network features described herein.

Telephone CPN information transmitted via Caller ID - Name and Number is intended solely for the use of the Caller ID - Name and Number subscriber. Resale of this information is prohibited by this tariff. CPN will not be displayed if the called party is off-hook or if the called party answers during the first ring interval. CPN will be displayed for calls made from another central office only if it is linked by appropriate facilities. Caller ID - Name and Number is not available on operator-handled calls.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.11 Speed Calling**

Speed Calling enables a Customer to place calls to other telephone numbers by dialing a one or two digit code rather than the complete telephone number. Speed Calling 8 allows for an eight (8) telephone number capacity, wherein the telephone numbers are assigned a one digit code.

Customers may program Speed Calling 8 by dialing 74# and waiting for the dial tone. Customers then dial the code (consisting of numbers 2 through 9) to be assigned and the telephone number, including area code if necessary. To dial the number, Customers dial the code number followed by the pound sign (#).

3.4.12 Three-Way Calling

Three-Way Calling enables a Customer to add a third party to an existing call without operator assistance, thereby establishing a three-way conversation. The transmission may not meet normal standards depending on the distance and routing necessary to activate a three-way call.

Customers access Three-Way Calling during a current call by pressing and releasing the receiver button to receive a second dial tone, dialing the third-party telephone number, and pressing and releasing the receiver button to connect the two calls.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.13 Anonymous Call Rejection**

Anonymous Call Rejection allows a Customer to reject all calls which have been indicated as anonymous, unavailable or private by the calling party. When Anonymous Call Rejection is active, the called party receives no alerting for a call that has been rejected. The call is routed to a denial announcement and subsequently terminated.

Customers who are subscribed to Anonymous Call Rejection activate the service by dialing *77 and can deactivate the service by dialing *87.

3.4.14 Call Waiting ID

Call Waiting ID allows the Customer to identify the calling party on a waiting call prior to the telephone being answered. Call Waiting ID displays the telephone number and name of the calling party on a Customer's CPE while a call is in progress. Call Waiting ID requires a period of time equivalent to two ringing tones in order to produce the name and telephone number display on the CPE. Call Waiting ID displays non-published telephone numbers, unless the Customer who has a non-published listing activates a call identification block. Call Waiting ID requires subscription to Call Waiting and Caller ID as described in Sections 3.4.7 and 3.4.9.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.4 Call Management Features (Continued)****3.4.15 Selective Call Rejection**

Selective Call Rejection enables the Customer to block calls from up to fifteen (15) pre-selected telephone numbers. To block specified telephone numbers, the Customer builds a screening list via code activation. Customers may access their screening list to add telephone numbers by dialing *60. Customers may deactivate Selective Call Rejection by dialing *80. To block an unknown telephone number after receiving the call, the Customer enters a blocking code to add the number to the Customer's screening list. In the event that facilities are unavailable to provide incoming call screening from the Customer's list, standard call completion will occur. Customers whose telephone numbers are blocked are directed to a prerecorded announcement regarding the block.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.5 Directory Assistance**

VTI furnishes Directory Assistance Service whereby Customers may request assistance in determining directory listing information. The rates set forth herein apply to calls from Customers who request assistance in determining directory listing information for telephone users who are located in the same local calling area.

A residential Customer is allowed one direct-dialed Directory Assistance calls per residential exchange line per month at no additional charge. No credit will be given for any unused portion of the Customer's allowance, and call allowances are not transferrable between separate accounts of the same Customer. No credit will be given for requests in which the telephone number is non-published or unlisted, or for telephone numbers which are not found in the directory.

Customers are allowed up to two Directory Assistance listing requests per direct-dialed Directory Assistance call. Where a Customer makes more than two requests on a call, each subsequent request in excess of the Customer's allowance is billed an additional fee. A maximum of ten Directory Assistance requests is allowed per direct-dialed Directory Assistance call. Where dialing facilities are not available, Directory Assistance calls via an operator are considered as direct-dialed calls.

Rates and charges associated with Directory Assistance are set forth in Section 4.5 following.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.5 Directory Assistance (Continued)****3.5.1 Directory Assistance Call Completion**

Directory Assistance Call Completion (DACC) provides Customers with the option of having local calls automatically completed upon request of a telephone listing from the Directory Assistance operator. The call may be completed automatically or by the Directory Assistance operator. DACC is available where facilities permit.

The DACC portion of the call may either be billed in the same manner as the Directory Assistance portion or alternately billed (i.e., third number or collect billing). There are no allowances for DACC; however, the appropriate call allowances as described in Section 3.5 apply to the Directory Assistance portion of the call.

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ORIGINAL**LOCAL TELECOMMUNICATIONS SERVICES TARIFF**

3.0 SERVICE DESCRIPTIONS (Continued)**3.6 Directory Listings**

Upon the request of a directory listing publication, VTI will provide list of names and telephone numbers of Customers and joint-users for the purpose of informing calling parties of the telephone numbers of Customers and those entitled to use Customer's service. The Company limits the length of any listing by the use of abbreviations when, in the opinion of the directory publishing company, the clearness of the listing or the identification of the Customer or joint-user is not impaired thereby. Listings must conform to the practices of the directory publishing company with respect to its directories.

VarTec will furnish upon request the name and address of the Customer to exchange service when such service is used to provide recorded announcements under the provisions of this tariff. Listings are regularly provided in connection with all classes of exchange service, unless the Customer subscribes to non-published exchange service or non-listed service. The contract period for Directory Listings where the listing actually appears in the directory is the effective period of the directory. Where the listing has not been printed in the directory, the contract period is one month.

One Residential Primary Listing is provided without charge for each separate Customer service or joint-user. The Primary Listing must be the actual name of the Customer to whom the service is rendered or the name of a member of the Customer's family or household.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.6 Directory Listings (Continued)**

A residential Customer may request that part or all of the address information which would otherwise be listed in the directory be deleted by the Company. Such deletion will be continued in successive directories without further request by the Customer until the Customer requests publication of part or all of the deleted address information in the directory.

Rates and charges associated with Directory Listings and the optional features described below are set forth in Section 4.5 following.

3.6.1 Non-Published Service

Customers who desire their telephone numbers to be omitted from directory publications may subscribe to Non-Published Service. Incoming calls to a Customer subscribing to Non-Published Service will be completed only when the calling party places the call by telephone number, notwithstanding any claim made by the calling party. When a call is placed from a telephone number associated with a Non-Published listing, the number may be disclosed if the called party has equipment to display Caller ID. Customers may prevent the display of their telephone number by subscribing to and activating Call Block.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.6 Directory Listings (Continued)****3.6.2 Non-Listed Service**

At the Customer's request, any one or all of the Customer's primary listings, additional listings or other listings associated with the same or different residence telephone service line normally published in the directory will be omitted from the directory but will be listed in the directory assistance records available to the general public. The Customer indemnifies and holds the Company harmless against any and all claims for damages caused or claimed to have been caused directly or indirectly by the publication of the listing, which the Customer has requested be omitted from the directory or the disclosing of such a listing to any person. Where such a listing is published in the telephone directory, the Company's liability shall be limited to a refund of any monthly charges assessed by the Company for the particular Non-Listed Service.

When a call is placed from a non-listed telephone number, the number may be disclosed if the called party has equipment to display Caller ID.

3.6.3 Residential Additional Listings

Residential Additional Listings may be the names of members of the Customer's family or of other persons residing in the Customer's household. A Dual Name Additional Listing may be provided for two persons who share the same surname and reside at the same address, or for a person known by two names. This listing is composed of a surname, two first names, address and telephone number.

Residential Additional Listings may be nicknames, abbreviated names, names which are commonly spelled in more than one way, and rearrangements of names when, in the opinion of the directory publishing company, they are necessary for the proper identification of the Customer.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.7 Operator Assistance Services**

VTI furnishes local assistance through an operator whereby Customers may request the services described herein. The rates set forth in Section 4.6 apply to local operator assistance requests originating for all classes and grades of services.

3.7.1 Busy Line Verification

Busy Line Verification allows an operator to determine the condition of an access line that a Customer requests to be checked. This service is provided where facilities exist through a VTI provided operator. Busy Line Verification requests will not be processed on a collect (reversal of charge) or person-to-person basis.

3.7.2 Busy Line Interrupt

Busy Line Interrupt allows an operator to interrupt a conversation in progress to ascertain willingness to establish a conversation with an alternate party. This service is provided where facilities exist through a VTI provided operator. Busy Line Interrupt requests will not be processed on a collect (reversal of charge) or person-to-person basis, except in the case of an emergency situation, when the caller may bill collect if necessary.

The charge for Busy Line Interrupt applies whenever the operator interrupts the conversation even if the interrupted parties refuse to terminate the conversation in progress.

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ORIGINAL**LOCAL TELECOMMUNICATIONS SERVICES TARIFF**

3.0 SERVICE DESCRIPTIONS (Continued)**3.7 Operator Assistance Services (Continued)****3.7.3 Call Trace**

Call Trace allows the Customer to initiate an automatic trace of the last call received by dialing a code (*57). The following information is automatically recorded:

- The originating telephone number;
- The date and time of the call; and
- The date and time call trace was activated.

When Call Trace successfully identifies a calling number, a recording instructs the Customer to call a toll free number, which will activate a Voice Response Script and assist the Customer in establishing an open file. Should the Customer decide to prosecute the call originating party, the Customer should Contact VTI for further instructions. Activation of Call Trace never authorizes VTI to provide the called party with the name or telephone number of the calling party.

3.7.4 Local Operator Services

Customers may obtain the assistance of a local operator to complete the following local exchange telephone calls:

- 1) Person to Person - Calls completed with the assistance of a Company operator to a particular person or station specified by the calling party. Charges may be billed to the called party, a non-proprietary calling card, a calling station or a third-party station.
- 2) Station to Station - Calls other than person-to-person calls completed with or without the assistance of a Company operator. Charges may be billed to a non-proprietary calling card.

Rates associated with Local Operator Services are set forth in Section 4.6.1.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)**3.8 Service Order Charges**

Customers are billed applicable Service Order Charges when VTI receives, records and processes information in connection with a Customer request to add or change existing services. Service Order Charges apply to Customers who order new service or features, discontinue services or features, request telephone number changes, or transfer service from one premises to another. Service Order Charges also apply to service requests, including but not limited to, reconnection of existing service, temporary suspension of service, name changes on an account, or when service is required at the Customer's premises.

The applicable Service Order Charges for the items described above are set forth in Section 4.7 following.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

4.0 RATE SCHEDULES**4.1 General**

The rates for the services described in Section 3, including but not limited to, Basic Residential and/or Business Local Service and Call Management Features, are provided herein. The rates and charges set forth herein may include one-time charges, per-call charges or monthly subscription charges.

4.2 Basic Residential Local Service - Rates and Charges

Subscribers to Basic Residential Local Service will be billed at the following rate in addition to all charges associated with the Customer's optional services and/or long distance usage:

Monthly Rate	-	\$29.95
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4.0 RATE SCHEDULES (Continued)**4.2. Basic Residential Local Service - Rates and Charges (Continued)****4.2.1 One Choice® Select Package – Rates and Charges**

Subscribers of One Choice® Select Package will be billed at the following rate in addition to all charges associated with the Customer's optional services and/or additional long distance usage, if any:

<u>Monthly Rate</u>	-	\$39.95
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In addition, optional Call Management features as described in Sections 3.4 and 4.4 are available to subscribers of One Choice® Select Package and will be billed at the rates set forth therein in addition to all charges associated with the Customer's One Choice® Select Package.

4.2.2 One Choice® Elite Package – Rates and Charges

Subscribers of One Choice® Elite Package will be billed at the following rate in addition to all charges associated with the Customer's optional services and/or additional long distance usage, if any:

<u>Monthly Rate</u>	-	\$49.95
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In addition, optional Call Management features as described in Sections 3.4 and 4.4 are available to subscribers of One Choice® Elite Package and will be billed at the rates set forth therein in addition to all charges associated with the Customer's One Choice® Elite Package.

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

4.0 RATE SCHEDULES (Continued)**4.2 Basic Local Residential Service - Rates and Charges (Continued)****4.2.3 VarTec Friends-R-FreeSM Classic Package - Rates and Charges**

(T)

Subscribers of the VarTec Friends-R-FreeSM Classic Package will be billed at the following rate in addition to all charges associated with the Customer's optional services and/or long distance usage:

(T)

Monthly Rate - \$49.95

In addition, optional Call Management features as described in Section 3.4 are available to subscribers of VarTec Friends-R-FreeSM Classic Package and will be billed at the rates set forth in Section 4.4 of the Rate Schedule in addition to all charges associated with the Customer's VarTec Friends-R-FreeSM Classic Package.

(T)

(T)

4.2.4 One Choice[®] Additional Line Service - Rates and Charges

Subscribers to One Choice[®] Additional Line Service will be billed at the following rate in addition to all charges associated with the Customer's One Choice[®] Bundled Package, optional services and/or long distance usage, if any:

Each Additional Line - \$24.95

* Material previously found on this page is now located on Page No. 77.1.

(N)

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4.0 RATE SCHEDULES (Continued)

4.2 Basic Local Residential Service - Rates and Charges (Continued)

4.2.5 VarTec Friends-R-FreeSM Package - Rates and Charges

Subscribers of the VarTec Friends-R-FreeSM Package will be billed at the following rate in addition to all charges associated with the Customer's optional services and/or long distance usage:

Monthly Rate	-	\$39.95
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In addition, optional Call Management features as described in Section 3.4 are available to subscribers of VarTec Friends-R-FreeSM Package and will be billed at the rates set forth in Section 4.4 of the Rate Schedule in addition to all charges associated with the Customer's VarTec Friends-R-FreeSM Package.

4.2.6 One Choice® Unlimited Package - Rates and Charges

Subscribers of One Choice® Unlimited Package will be billed at the following rate in addition to all charges associated with the Customer's optional services and/or toll charges, if any:

Monthly Rate	-	\$59.95
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In addition, optional Call Management features as described in Section 3.4 are available to subscribers of One Choice® Unlimited Package and will be billed at the rates set forth therein in addition to all charges associated with the Customer's One Choice® Unlimited Package.

(N)

(N)

4.3 (Reserved for Future Use)

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4.0 RATE SCHEDULES (Continued)**4.4 Call Management Features - Rates and Charges**

Subscribers to Call Management Services will be billed at the following rates in addition to all charges associated with the Customer's basic local service plan.

	<u>Monthly</u> <u>Rate</u>	<u>Per Use</u> <u>Charge</u>
Auto Redial	\$2.50	\$0.75
Call Forwarding	\$3.00	N/A
Call Forwarding - Busy Line	\$0.30	N/A
Call Forwarding - No Answer	\$0.90	N/A
Call Forwarding - Busy Line/No Answer	\$1.10	N/A
Selective Call Forwarding	\$2.50	N/A
Selective Call Rejection	\$4.50	N/A
Call Waiting	\$5.00	N/A
Caller ID - Number Only	\$5.50	N/A
Caller ID - Name & Number	\$5.95	N/A
Speed Calling	\$2.00	N/A
Three-Way Calling	\$3.50	\$0.75
Anonymous Call Rejection	N/C	N/A
Call Return	\$2.95	\$0.75
Call Waiting ID - Name & Number	N/C*	N/A

N/A - Per use charge not available

N/C - No additional charge

* Customer must also subscribe to Call Waiting and Caller ID

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

4.0 RATE SCHEDULES (Continued)**4.5 Directory Listings and Directory Assistance - Rates and Charges**

Subscribers will be billed at the following rates for Directory Listings and Directory Assistance in addition to all charges associated with the Customer's basic local service plan:

<u>Directory Listings</u>	<u>Monthly Rate</u>
Primary Listing	No charge
Non-Published Number	\$1.90
Non-Listed Number	\$1.55
Residential Additional Listing	\$1.50

<u>Directory Assistance</u>	<u>Per Use Charge</u>
Directory Assistance (after initial 1)	\$0.45
Directory Assistance Call Completion	\$1.50

4.6 Operator Assistance - Rates and Charges

Local Operator Assistance Service rates are in addition to applicable usage charges or in lieu of local call rates from pay telephones.

	<u>Per Use Charge</u>
Busy Line Verification	\$1.75
Busy Line Interrupt	\$2.00
Call Trace	\$2.00
Person to Person - Partially Assisted	\$4.50
Person to Person - Fully Assisted	\$6.00
Station to Station - Partially Assisted	\$2.30
Station to Station - Fully Assisted	\$3.80
Third-Party Billing	\$3.80
Collect Call	\$3.80

Operator Service Rate - Day	\$0.25 per minute
Operator Service Rate - Night, Evening, Weekend	\$0.15 per minute

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

4.0 RATE SCHEDULES (Continued)**4.7 Service Order Charges - Rates and Charges**

Customers will be billed the following charges for services described below. Additional charges may apply for service orders that require overtime labor performed at hours of the day or days of the week other than normal work hours.

	<u>One-Time Charge</u>
Customer requests to add a feature to an account	No Charge
Customer requests to remove a feature from an account	\$5.00
Customer requests a billing name change on his/her account	\$5.00
Customer requests a telephone number change	\$10.00
Customer requests to transfer primary line from one service address to another	\$35.00
Customer requests to transfer an additional telephone line from one service address to another	\$35.00
Restoration of Customer's service following suspension by VTI	\$25.00
Installation of a primary telephone line at new service address	\$35.00
Installation of an additional telephone line at new service address	\$35.00
Directory Listing Change Charge	\$5.00
Block Change Charge	\$5.00
PIC Change Charge	\$5.00

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LOCAL TELECOMMUNICATIONS SERVICES TARIFF

4.0 RATE SCHEDULES (Continued)**4.8 Alternative Payment Processing Fees**

The following fees apply for Customers who make payment for services rendered using alternative payment processing options. Per use charges apply for individual transactions. Customers may elect to enroll in VTI's Recurring Payment Plan, whereby the Customer's payment is automatically processed by VTI each month through the Customer's selected alternative payment processing option.

	<u>Credit Card Payment</u>	<u>ACH Payment</u>
One-time Payment (per use)	\$0.00	\$0.00
Online Payments (per use)	N/C	N/C
Recurring Payments	N/C	N/C

Beginning February 1, 2004, any residential Customer who enrolls in VTI's Recurring Payment Plan will receive a one-time credit in the amount of ten dollars (\$10.00). This credit will be applied to the Customer's monthly billing statement after the Customer's first successful and valid automated payment transaction and should appear on one of the following two billing statements. Each Customer will be eligible to receive the credit only once per Customer account. A Customer becomes ineligible to receive this credit if, prior to the credit being applied to the Customer's account, one or more of the following occurs: 1) the account is suspended for non-payment of charges; 2) the account is suspended for violation(s) of regulations in this tariff; 3) the Customer cancels services or withdraws from the Recurring Payment Plan or 4) the Customer fails to comply with relevant laws and regulations.

(N)

(N)

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